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AUTHOR Ascher, Carol
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ABSTRACT

Employment statistics of Mexican-American, Cuban-American, and Puerto Rican men and women are compared with each other and with blacks and whites. Facts and figures are provided for geographic distribution, labor force participation (employed or seeking a job), type of occupation (blue-collar or white-collar), and income. Barriers to employment which are discussed include lack of English fluency, low level of education, and discrimination. Finally, the recommendations of the National Commission on Employment Policy for improving the employment situation of Hispanic-Americans are described. (DC)

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(212) 678-3437

Clearinghouse on Urban Education

Institute for Urban and Minority Education / Box 40
Teachers College / Columbia University
New York, New York 10027

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Hispanics and Employment

Issues of Education, Language, and Discrimination

Hispanic Americans are a growing segment of the U.S. population. In 1980, 14.6 million Hispanic Americans lived on the U.S. mainland and another 3.2 million were in Puerto Rico. Mainland Hispanics include Mexicans (60%), Cubans (8%), Puerto Ricans (14%), Central and South Americans (8%), and others of Spanish background (12%). In 1970, one out of every four Hispanics was foreign born while one out of 20 Americans in the general population was foreign born. As a whole, Hispanic Americans comprise over 6% of all U.S. citizens between 15 and 64. Because they are a young population (50% are currently under 24, and almost one-third are under 15), they will increase to at least 8% of the working-age population by the 1990s, and will continue to grow as the century turns.

More than any other group, Hispanics are an urban population: 83% of the Hispanic population, compared with 77% of the black population and 66% of all whites, live in metropolitan areas. Hispanics are also geographically concentrated in a few states. Almost 90% of all Mexican Americans live in the five southwestern states of Texas, New Mexico, Arizona, California, and Colorado; about 70% of all Puerto Ricans outside the island live in New York, New Jersey and Pennsylvania; over 80% of all Cuban Americans live in either Florida or New York; and about 66% of all Central and South Americans live in California and New York. Because of these concentrations, Hispanics are easily caught up in problems generally besetting urban areas as well as industrial and employment shifts characteristic of the above states.

Hispanic Employment Compared with Black and White Employment

According to a 1982, National Commission for Employment Policy study, Hispanics (over 90% of whom are classified as white by the U.S. Bureau of Census) fare worse in the labor market than the non-Hispanic white population, and better in labor force participation but not in wages or occupation type than the black population.

- Hispanic men, women and youth have a higher unemployment rate than whites but a lower one than blacks.
- Hispanics are more likely to be in blue-collar jobs than either whites or blacks.
- Hispanic men earn less per hour than black or white men. All groups of women earn less than men, and Hispanic women earn the least per hour of all groups of women.
- The annual income of Hispanics is between that of blacks and whites.

Differences Among Hispanic Groups

The several Hispanic-American groups differ in the type and severity of the problems they experience. For some, finding work is a severe problem; for others, low pay is a major issue. Moreover, the relative positions of the groups have changed over the 1970s.

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Rates of Labor Force Participation

(Those Working and Actively Seeking Jobs)

- Mexican-American men have the highest participation rate in the labor force (80%) of the Hispanic groups. This is higher than Cuban Americans, whose rate (77%) is similar to whites.
- Puerto Rican men's participation in the labor force is low and declining. The participation of mainland men fell from 75% to 66% during the 1975-76 recession; while 66% of the Puerto Rican men on the island were working in 1974, only 60% were working four years later.
- Mexican-American women, whose participation rate rose from 40% in 1974 to 47% in 1978, have been the major source of the increasing labor force participation rate found among Hispanic women.
- Cuban-American women have a high and stable participation rate of close to 50%.
- Puerto Rican women, like Puerto Rican men, have low and declining participation rates both on the mainland and on the island. Their participation decreased from one-third in the early 1970s to even less by the close of the decade. By the late 1970s, about 40% of all Puerto Rican mainland families were headed by women.

Occupations

- Mexican-American men are less likely than any other racial or Hispanic-origin group to be in white-collar jobs or to hold positions as professionals or managers. (Less than 12%, compared with 16% among blacks, are professionals or managers.) They are also more likely to be in blue-collar jobs (60%) than any other group, and to be in farm work (6 1/2%).
- Cuban-American men are more likely to hold white-collar jobs (35%) than any other group except whites (42%). Almost 25% are professionals or managers; 30% of non-Hispanic whites hold similar positions.
- Puerto Rican men have a larger proportion employed in service work (20%) than any other racial or Hispanic-origin group. Although 25% of employed Puerto Ricans are in white-collar jobs, they are more likely to be in clerical work and less likely to be professionals, managers, or sales workers than are Cuban-American men.
- Most employed Hispanic women hold one of three types of jobs: clerical, machine operative, or service work.

Wages and Income

- Mexican-American men have the lowest pay rate of all racial and Spanish-origin groups of men. In 1975, they averaged \$4.30 per hour, compared with \$4.50 for Puerto Rican men, \$5.30 for Cuban men, and \$6.00 for non-Hispanic white men.
- Within the Hispanic population, the relative position of the

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different groups has changed over the past decade. The annual income of Mexican-American men was only slightly better than that of black men, and was the lowest of all Hispanic men from 1970 to 1975. The median annual income of Puerto Rican men began to deteriorate with the 1975-76 recession and approached that of Mexican-American men. By 1978, with a median annual income of \$7,800, Puerto Rican men had the lowest income of all Hispanic men—\$500 below Mexican-Americans, although \$1,000 above black men.

- Mexican-American women, like Mexican-American men, earn less per hour than other racial or Spanish-origin groups. In 1975, they earned less than \$3.00 an hour—Puerto Rican women earned \$3.40; black women earned \$3.50; and white women earned almost \$3.70.
- Mexican-American women also have the lowest median annual income of all groups—\$3,400 in 1978, compared with \$3,700 for black women, \$4,050 for Puerto Rican and Cuban women, and \$4,100 for non-Hispanic white women.

Barriers to Job Market Success

Three barriers to success in the job market are faced by many Hispanic Americans, according to the National Commission for Employment Policy.

A lack of fluency in English is an important source of labor market difficulties facing all subgroups. About 15% of those 21 or older speak only Spanish, and almost 30% consider Spanish to be their major language. Problems in English directly affect Hispanics' labor market position and their educational attainment and are one facet of labor market discrimination.

- Hispanic men who have problems with English earn less than those who are proficient. According to one of the first studies in this area cited by the Commission, men who lacked proficiency in English—or did not use English—earned almost 20% less per hour than those who both knew and used English.
- A lack of proficiency in English also affects the financial rewards Hispanic men receive for their schooling and past work experience: for example, a Hispanic man with 9 years of education who speaks no English earns 13% less per week than his counterpart who is fluent in the language, while a Hispanic man with 12 years of schooling who does not speak English earns about 20% less a week than his counterpart who speaks English well.
- Among Hispanic women, language difficulties are generally associated with reduced participation in the labor force.
- Women with less than 12 years of schooling and no English earn more than their English-proficient counterparts; this may be because a common job among non-English-proficient women with less than 12 years of education is that of machine operator. However, women with 12 years or more of schooling who speak no English earn less than their English-proficient counterparts.

A low level of education is the second major reason for Hispanics' poor labor market experience. Except among Cubans, who like non-Hispanic whites average over 12 years of schooling, the problem is severe: 40% of 20- to 24-year-old Mexican Americans and 50% of mainland Puerto Ricans have not graduated from high school in recent years. This contrasts with a 14% dropout rate among whites and a 25% dropout rate among blacks.

- Overall, Hispanic men with 11 years of education earn about 10% more per week than otherwise comparable Hispanic men with 10 years of education. This difference in education is associated with a 6% increase in earnings among Hispanic women.
- The payoff for an additional year of schooling varies among whites, blacks, and the several Hispanic groups, but all

Hispanics and blacks receive a lesser payoff than whites.

- The effect of education on Hispanics' position in the job market also varies geographically. Mexican-American men in California are in lower paying occupations than otherwise similar non-Hispanic men with the same level of education.
- Still, according to one study cited by the National Commission, schooling completed by Mexican-American and white men accounted for about 50% of the difference in their hourly wage, while schooling accounted for one-third of the difference between Puerto Rican and non-Hispanic white men, and 15% of the difference between the wages of both Mexican-American and Puerto Rican women and those of non-Hispanic white women.

Discrimination is the third important cause of Hispanics' difficulties in the labor market. Although discrimination cannot be pinned down to exact figures, it can be deduced from other statistics.

- As the preceding section indicates, the payoff for education is less for all Hispanic groups—as it is for blacks—than it is for non-Hispanic whites.
- Hispanics are also penalized more in the work force because of their lack of fluent English than are other non-Hispanic groups with an equivalent lack of fluency.
- Although there is some variation in states such as New York and California, Hispanics are also in occupations with lower wages than non-Hispanics, even after English proficiency and other factors are taken into account.
- The difference between the earnings of whites and Hispanics is due, in some degree, to the percentage of youths in the Hispanic population. However, the payoff for past experience among Mexican-American men and all Hispanic women is less than for white men. Further, for all Hispanic groups, the payoff for experience gained outside the U.S. mainland is less than for that gained on the mainland.

Policy Recommendations

Policy recommendations for Hispanic Americans generally stress adherence to Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination on the basis of national origin, as well as the use of the three federal laws supporting educational programs sensitive to the needs of young people whose first language is not English: Title VI of the Civil Rights Act, the Bilingual Education Act of 1968, and the Supreme Court's 1974 decision in *Lau v. Nichols*.

The National Commission on Employment Policy also suggests English-training programs and vocational education as two strategies for improving the employment of Hispanics. The Commission notes, however, that, to date, bilingual education has been plagued by problems in implementation and evaluation that make its effectiveness as a strategy questionable. As for vocational education, the Commission's own review of high-school vocational education programs indicated that they did not lead to either higher wages or more weeks worked in a year for Hispanic, black, or white students. Moreover, the Commission reports that, while participation of blacks, whites, and Hispanics in CETA programs has led to increased yearly earnings among women participants (primarily due to more employment, not higher wages), it has not improved the yearly income of the male participants.

Labor market problems and discrimination as much as lack of education, English proficiency, and training are the sources of the employment difficulties Hispanics currently face.

—Carol Asher, Ph.D.

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